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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

MELIORANDULI OF INFORMATION NO. 69

11 May 1951

FOR:

National Estimates Board

SUBJECT: Anglo-Egyptian Relations

1. There is a serious danger that the current impasse in Anglo-Egyptian treaty negotiations will result within the next two or three months in an Egyptian denunciation of the Anglo-Egyptian Treaty of 1936 and in subsequent attempts by the Egyptian Government to force withdrawal of British troops from the Suez Canal Zone.

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3. At present there appears to be no basis for a compromise between the <u>UK and Egypt. particularly on the central issue of troop</u> evacuation.

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The Egyptian Government, however, is publicly and officially committed to a policy of prompt British evacuation and unity of the Nile Valley and, moreover, is pledged to the denunciation of the Anglo-Egyptian Treaty of 1936 if no early settlement is reached.

- 4. In spite of the current impasse, both governments are reluctant to break off negotiations because it they did so the Egyptian Government would almost certainly be compelled by public and parliamentary pressure not only to denounce the Treaty of 1936 but also to adopt measto force the evacuation of British forces from Egypt. Such measures might include a complete embargo on British camps in the country. The Egyptian Government, and particularly King Farouk, does not want to adopt such measures and most Egyptian leaders would probably prefer the British troops to remain. An attempt will, therefore, be made to "string out" negotiations through the summer, although neither the British nor the Egyptian government expects further genuine negotiations.
- 5. The dangerous element in the situation is the temper of the Egyptian Parliament and public. There is considerable doubt whether they will once again acquiesce in a stalemate which leaves British troops in Egypt and a British colonial administration in the Sudan. It is unlikely, therefore, that the policy of procrastination which the UK and Egypt have adopted by common consent can long be maintained.

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